

ASSEMBLY BILL

No. 986

Introduced by Assembly Member Jerome Horton

February 20, 2003

An act to add Section 38 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 986, as introduced, Jerome Horton. Tax collections: consolidation.

Existing law imposes various taxes that are administered by the Franchise Tax Board, the State Board of Equalization, and the Employment Development Department.

This bill would require the Legislative Analyst to conduct a study of the consolidation of the remittance processing and cashiering functions, and the mail processing operations, of the Franchise Tax Board, the State Board of Equalization, and the Employment Development Department, based upon specified criteria.

This bill would require the Legislative Analyst to provide to the Legislature a report and recommendations with regard to consolidation of those functions by July 1, 2004.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 38 is added to the Revenue and Taxation
2 Code, to read:

1 38. (a) The Legislative Analyst shall study the consolidation
2 of the remittance processing and cashiering functions, and the mail
3 processing operations, of the Franchise Tax Board, the State Board
4 of Equalization, and the Employment Development Department.
5 The study will be to determine if there are any benefits to the
6 consolidation of the management and control of these operations
7 under the State Board of Equalization, based on all of the
8 following criteria:

9 (1) The elimination of duplicative functions and fragmented
10 responsibilities.

11 (2) Increased operational efficiencies due to the use of
12 improved technologies and economies of scale.

13 (3) Additional interest earnings for the state.

14 (b) For purposes of this section, “remittance processing and
15 cashiering” means receiving, batching, balancing, and depositing
16 remittances.

17 (c) The Legislative Analyst shall provide to the Legislature a
18 report and recommendations with regard to consolidation of these
19 functions by July 1, 2004.

